Testimony of John Polston Before the House Natural Resources Committee's Subcommittee on Water, Power, and Oceans Regarding the Subcommittee's Legislative Hearing on H.R. 4528, H.R. 5248, and H.R. 1456 Tuesday, April 17, 2018 2:00 PM 1324 Longworth House Office Building

My name is John Polston, owner of King's Seafood in Port Orange, Florida. King's Seafood, with which I have been associated since it was incorporated in 1988, is a buyer, retailer, and wholesale distributor of sharks and other fish products to domestic and foreign markets. I also have ownership interest in ten fishing vessels, five of which actively participate in the domestic shark fishery. I am a participant in both the Sustainable Shark Alliance ("SSA") and the Southeastern Fisheries Association, both of which support H.R. 5248 and strongly oppose H.R. 1456. My testimony is based on my personal knowledge and deep involvement with this and other South Atlantic fisheries for over 33 years.

I am honored to come before the Water, Power, and Oceans Subcommittee to testify in support of the H.R. 5248, the Sustainable Shark Fisheries and Trade Act ("SSFTA"), and to personally thank Congressmen Webster and Lieu for introducing this proactive bill that levels the playing field for American fishermen. My testimony will also address the deep concerns I and others in the domestic shark fishery have with Chairman Royce's well-intentioned, but ultimately harmful, bill, H.R. 1456, the Shark Fin Sales Elimination Act.

Both bills share a common goal — eliminating the cruel, wasteful, and unsustainable practice of shark finning. Only the SSFTA, however, creates an incentive for other nations to end shark finning and meet the same high standards for marine conservation to which the United States holds its fishermen. This bill recognizes the sacrifices our fishermen have made, and continue to make, to rebuild domestic shark populations by leveling the playing field with our foreign competitors. Under the SSFTA, access to U.S. markets by other nations is contingent on their adoption of strong anti-finning measures and actively conserving shark, skate, and ray stocks.

By contrast, the Shark Fin Sales Elimination Act punishes me and others by denying us an important income source—revenue from the sale of the fins—merely to send a "message." It has no direct impact on fisheries in other nations. In fact, this bill allows imports of other shark, skate, and ray products from unsustainable fisheries to continue. It rewards bad actors by taking sustainable U.S. shark fins out of the global market, creating a vacuum to be filled by those from from unmanaged and unsustainable fisheries. From a more personal perspective, this bill punishes me and others in the shark fishery by taking away an important income source, undoubtedly pushing some small businesses into unprofitability. It is an insult to American fishermen who have been required to give so much for decades to create a sustainable fishery.

In short, the SSFTA improves conservation of vulnerable populations of elasmobranchs on a global basis, while the Shark Fin Sales Elimination Act degrades these efforts and penalizes hard-working, rule-abiding Americans.

I want to emphasize that the American fishing industry is deeply opposed to the practice of shark finning, or harvesting sharks solely for their fins and discarding the carcass at sea. It is a

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wasteful and potentially cruel practice. It has been outlawed by regulation on the Atlantic and Gulf coasts, where most shark fishing occurs, since 1993, and by law since 2000. In 2010, Congress acted to strengthen this prohibition by requiring that most sharks¹ be landed with their fins naturally attached. The ease of enforcement of these regulations, along with the steep penalties for violating these laws, has led to near universal compliance, particularly by federally licensed shark fishermen.

We also operate under what are likely the world's most precautionary and strict shark conservation rules. In aggregate, total allowable landings for sharks have been reduced by more than eighty percent since the fishery's peak in the late 1980s and early 1990s. Catches of many sharks, including the most commercially important stock, Sandbars,² are prohibited. Annual catch limits are set on a very conservative basis, taking into account the life history of these animals. Frequently, fisheries for very abundant shark stocks close before annual catch limits are caught to facilitate rebuilding of less abundant species. Also, the National Marine Fisheries Service ("NMFS") closes the fishery when only 80 percent of the catch limit is harvested.

In terms of rebuilding shark populations, NMFS management has been undeniably successful. The last published results from the primary federal shark survey found the most sharks in its 29-year history.³ The most recent survey was recently concluded and we are optimistic that these trends will continue. Independent research by the Virginia Institute of Marine Science also confirms the sharply increasing trends for nearly every category and type of shark.⁴ Our industry accounts for \$20 million export, with Louisiana and Florida leading the way in terms of landings and permitted fishermen.

As a Floridian, I can also say that the "shark tourism" industry has been thriving alongside our shark fishery. The growth in this relatively new—and dangerous—tourism sector has not been impacted by our fishery. Sustainable management ensures there are ample numbers of sharks in our waters to both be experienced by those who wish to view them in their natural habitat and to serve their role in the marine ecosystem.

At the same time, growing shark populations increase the chances for interactions between sharks and those who come to Florida and other coastal states to spend time at the beach. Florida, in general, and Volusia County, in particular, is the <u>world's</u> leading site for unprovoked shark attacks. Those will certainly increase growing shark and human populations interact. Even the perception of increasing numbers of shark attacks can have a negative impact on coastal tourism.

¹ The sole exception is for smooth dogfish, a small and abundant shark harvested off the East Coast. This species is most valuable for the meat, the quality of which quickly degrades if the fish is not quickly and fully dressed.

² A small research fishery for sandbars is allowed in order to collect data for the stock assessment. Currently, an assessment for this species is underway.

³ NMFS, "2015 Coastal Shark Survey Reveals Shark Populations Improving off U.S. East Coast," https://www.nefsc.noaa.gov/press_release/pr2015/scispot/ss1509/.

⁴ VIMS, "Study finds preliminary recovery of coastal sharks in southeast U.S.." http://www.vims.edu/newsandevents/topstories/2017/shark_recovery.php

There also has been an increase in interactions between sharks and recreational and commercial fisheries. "Bite-offs," where sharks take part or all of a fish off a line, are being increasingly reported. My vessels and other in commercial hood-and-line fisheries frequently cannot get bait past large schools of sharks and there have even been reports of sharks attacking shrimp nets. A well-controlled fishery plays a role in keeping these predators in check and maintaining some balance in a system where many stocks upon which sharks prey are also subject to recreational and commercial fishing.

The Bills at Issue

As to the bills that are the subject of this hearing, I am joined in supporting H.R. 5248 by a host of commercial fishing groups. In addition to those mentioned, this legislation is also endorsed by the Garden State Seafood Association, North Carolina Fisheries Association, Louisiana Shrimp Association, Blue Waters Fishermen's Association, and scores of fishermen and fish houses that rely on the shark fishery, in whole or part, for their livelihoods. I am attaching a letter identifying these supporters.

The SSA, Garden State, and Southeastern Fisheries are proud to have worked with the Wildlife Conservation Society, their partners in the environmental and zoological communities, and Congressmen Webster and Lieu to craft a bill that makes an important contribution to the global conservation of sharks. The SSFTA is modeled on other successful legislation designed to protect sea turtles in foreign shrimp fisheries and to ensure foreign fishermen meet the same standards for marine mammal protection that U.S. fishermen must observe.

In order to minimize the administrative burden on NMFS, the SSFTA requires nations seeking to export shark products to the United States to demonstrate that they have enforceable shark finning prohibitions and science-based shark conservation measures similar to those under which we work. It expands the definition of "shark" to include likewise vulnerable stocks of other elasmobranchs, specifically skates and rays. While those animals can be processed at sea, just as here in the U.S., nations would have to show that these stocks are managed sustainably. Finally, the SSFTA adds skates and rays to NMFS Seafood Important Monitoring Program to ensure traceability of supply. (Sharks are already included.)

H.R. 5248's purpose is to ensure that the U.S. market is not contributing to either shark finning or unsustainable fishing practices. While the United States is not a major market for shark products, the SSFTA assures American consumers that any imported shark, skate, and ray products they consume are sustainably sourced and cruelty-free.

As to Shark Fin Trade Elimination Act, the fact that the U.S. is a small market means that its impact on other nations will be minimal, if it has any effect at all. For one, we import only a small amount of fins, some of which are re-imports of processed domestic fins. Other instances of trade bans having some positive effect on foreign behavior, such as with ivory, succeeded because the U.S. was a fairly substantial market participant. Moreover, under this bill, nations with uncontrolled fisheries can still export shark meat and other shark products to the U.S. Finally, the small amount of fins now imported to the U.S. will simply be diverted to other

nations, filling the void left by removing sustainably-caught American fins from international trade. This is why a fin ban is likely to have a net negative effect on shark conservation.

Furthermore, requiring waste of shark fins runs counter to the positive trend of fully utilizing food and natural resources. "Reverse" shark finning – keeping the carcass and discarding the fins – shares with shark finning the sin of wasting a valuable and important food source. I believe Congress should encourage full utilization of the limited, scientifically-determined catch levels of all marine resources. Our nation is richer if we maximize the value of each fish we catch. Unfortunately, H.R. 1456 has the opposite effect, draining economic resources from our struggling coastal communities.

Speaking personally, I can assure you that under current fisheries management, every dollar counts. Both harvesters and the fish houses that buy their catch operate under the thinnest of margins and face high fixed costs for things such as fuel, insurance, mortgages, and labor. Particularly here in Florida, we piece together a living by engaging in a variety of fisheries—shrimp, snapper-grouper, sharks and other highly migratory species, and others. NMFS determines the catch levels, seasons, and other conditions we operate under. Few people can make a living focusing on just one fishery. Losing access to even one fishery or, in this case, a significant revenue source, can tip a small business from profitability into bankruptcy.

I cannot express how disheartening it would be to me and others in the commercial fishing industry if Congress were to penalize us by banning fin sales just to send a message to the world. Our whole fisheries management system is premised on the idea that sacrifices deemed necessary to conserve a fish stock today will be rewarded by increased opportunities to fish in the future. That promise already seems hollow, as we have seen exploding populations of things such as sharks and red snapper, but very slow growth in fishing opportunities. Shark fishermen have sacrificed more than most. Please do not punish that sacrifice by taking away an important source of our income.

Thank you very much for your time and attention to my testimony. I am happy to answer any questions members of this Subcommittee may have.